Form 2160-5 *(December 1989)

1. Type of Well:

2. Name of Operator:

3. Address of Operator:

UNITED STATES DEPA

| RTMENT | OF | THE | INTE | RIOR | |
|--------|-------|-------|-------|-------|-----|
| BUDEA | II Ο΄ | R T.A | ND MA | NAGEN | FNT |

| | FORM AF | PROVE | D | |
|---------|---------|-------|------|------|
| Budget | Bureau | No. 1 | 004- | 0135 |
| Expires | : Sept | ember | 30, | 1990 |

5. Lease Designation & Serial #:

SF-078988

SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee/Tribe Name

other

Do not use this form for proposals to drill, deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals

Blackwood & Nichols Co., Ltd.

oil well

1330' FSL, 1000' FWL - Section 18, T31N, R6W

4. Location of Well: (Footage, Sec., T., R., M., or Survey Description)

SUBMIT IN TRIPLICATE

gas well X

P.O. Box 1237, Durango, CO \$1302-1237

7. If Unit or CA, Agmt. Design.: Northeast Blanco Unit 8. Well Name and No.: N.E.B.U.# 496 9. API Well No.: 30-045-27709 10. Field & Pool/Expltry Area: Basin Fruitland Coal

| | | San Juan, New Mexico |
|--------------------------|--|--|
| CHECK APPROPRIATE | BOX(s) TO INDICATE NATURE OF NOTICE, REPOR | T, OR OTHER DATA |
| TYPE OF SUBMISSION | TYPE O | FACTION |
| | Abandonment | Change of Plans |
| Notice of Intent | Recompletion | New Construction |
| | Plugging Back | Non-Routine Fracturing |
| _XSubsequent Report | Casing Repair | Water Shut-Off |
| Final Abandonment Notice | Altering Casing | Conversion to Injection |
| / Hot Add do not to | X Other: COMPLETION (Note: Report results or Recompletion Report | of multiple completion on Well Completion and Log form.) |
| | TYPE OF SUBMISSION Notice of Intent | Abandonment Notice of Intent Recompletion Plugging Back Casing Repair Final Abandonment Notice Altering Casing Other: COMPLETION (Note: Report results |

See Addendum for a full description of the open hole "stress relieve" type coal completion.

14. I hereby certify that the foregoing is true and correct. Title:ADMINISTRATIVE MANAGER ACCEPTED FOR RECORD (This space for Federal or State office use) SE2 24 1990 _____ Title _ Approved By Conditions of approval, if any:

FARMINGTON RESOURCE AREA

^{13.} DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

P.O. BOX 1237

DURANGO, COLORADO 81302-1237

(303) 247-0728

Completion Report

Northeast Blanco Unit No. 496 - Basin Fruitland Coal

LOCATION: 1330' FSL, 1000' FWL Section 18, T31N, R6W,

San Juan County, New Mexico

7-30-90 7" casing at 3071'.

Picking up 3-1/2" drill pipe.

Move in and rig up Aztec Rig No. 56. Nipple up, lay blooie lines, manifold, and relief lines.

Frontier Inspection Service inspected drill pipe, drill collars, and subs.

Pick up power swivel, rig up floor, strap drill collars and drill pipe.

Pressure test 7" casing, blind rams, and manifold valves to 2000 psi for 30 minutes - held OK.

Pick up rerun Smith 6-1/4" FDT bit, SN# KM8122, bit sub, float sub, 1 drill collar, N nipple (1.875" ID), 10 drill collars, 1 jt drill pipe, F nipple (2.25" ID), safety sub (345.53' length), and 85 jts 3-1/2" drill pipe. Tag cement at 3018'.

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Completion Report

Northeast Blanco Unit No. 496 - Basin Fruitland Coal

LOCATION: 1330' FSL, 1000' FWL

Section 18, T31N, R6W,

San Juan County, New Mexico

7-31-90 7" casing at 3071'; 6-1/4" open hole 3071-3378' TD.

Circulating and working pipe at TD with 5 BPM water.

Pressure test 3-1/2" pipe rams and HCR valves to 2000 psi for 30 minutes - held OK.

Drill cement 3018-3068'; float at 3028'; shoe at 3071'. Wait on loggers.

Drill 3' cement and shoe and Fruitland formation from 3071-3378' with 10,000# WOB, 100 RPM, and 5 BPM water @ 300 psi.

Circulate and work pipe at TD with 5 BPM water @ 300 psi. Returns light 1/8" and less coal (90%), shale and siltstone and some floating coal in clear water.

12' flare through one 7" blooie line.

| Coal Intervals: | 3125-3128' | 3 1 | |
|-----------------|-------------|------|------------|
| | 3135-3147 ' | 12' | |
| | 3156-3157' | 1' | |
| | 3160-3161' | 1' | |
| | 3166-3176' | 10' | |
| | 3211-3224 1 | 13' | |
| | 3232-3234 ' | 2' | |
| | 3251-3261' | 10' | |
| | Total | 52 ' | (no basal) |

P. C. Tongue - 3263'
Top Main P. C. - 3375'
Total Depth - 3378'

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Completion Report

Northeast Blanco Unit No. 496 - Basin Fruitland Coal

LOCATION: 1330' FSL, 1000' FWL Section 18, T31N, R6W,

San Juan County, New Mexico

8-01-90 7" casing at 3071'; 6-1/4" open hole 3071-3378' TD.

Circulating and working pipe at TD with 1 MM air and 2 BPM water.

Circulate and work pipe at TD with 5 BPM water. Returns light 1/8" coal ((0%), shale and siltstone in clear water.

Circulate and work pipe at TD with 3 BPM water. Returns very light 1/16" and smaller coal (95%), shale and siltstone in clear water.

Circulate and work pipe at TD with 2 BPM water. Returns very light 1/16" and smaller coal (95%), shale and siltstone in clear water.

Circulate and work pipe at TD with 1 MM air and 4 BPM water, reducing 1 BPM water each hour to 2 BPM. Returns very light 1/16" and coal fines (95%), shale and siltstone in clear water.

8' flare from both blooie lines.

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Completion Report

Northeast Blanco Unit No. 496 - Basin Fruitland Coal

LOCATION: 1330' FSL, 1000' FWL Section 18, T31N, R6W, San Juan County, New Mexico

8-04-90 7" casing at 3071'; 6-1/4" open hole 3071-3378' TD.

Circulating and working pipe at TD with 2 MM air.

Circulate and work pipe at TD with 2 MM air. Returns light coal, shale and siltstone in clear water.

Short trip. Gauge well through 2" with pitot tube: 1/4 hr - 3 psi, 1.065 MMCF; 1/2 hr - 2 psi, .869 MMCF; 3/4 hr - 28 oz, .801 MMCF; 1 hr - 22 oz, .707 MMCF (all gauges dry).

Shut in: 1/4 hr - 250 psi; 1/2 hr - 390 psi; 3/4 hr - 490 psi; 1 hr - 600 psi.

TIH, had 10' bridge at 3157'-3167' and 44' bridge from 3211'-3265'.

Circulate and work pipe at TD with 2 MM air with 10 bbl water sweeps each hour. Returns light coal in clear water.

Make short trip, pressure up to 800 psi with air. Surge well, 5' bridge at 3228', 15' of fill at TD.

Circulate and work pipe at TD with 2 MM air with 10 bbls water sweeps each hour. Small amount of torque and drag after sweeps.

8-05-90 Clean out at 3210' with 2 MM air and 1.5 BPM water.

Short trip. Gauge well through 2" pitot: 1/4 hr - 22 oz, .707 MMCF; 1/2 hr - 19 oz, .667 MMCF; 3/4 hr - 13 oz, .565 MMCF (all gauges mist); 1 hr - 3 psi, 1.065 MMCF (wet).

8-05-90

(con't.) Shut in and pressure up to 1000 psi. Surge well, TIH, no fill.

Circulate and work pipe at TD with 2 MM air. Returns light 1/4" and less coal in clear water.

Well sloughed, cut air and water. Work pipe free. Well unloaded heavy coal in black water.

Circulate and work pipe at TD with 2 MM air and 1 BPM water with 10 bbl sweeps hourly. Returns light to moderate coal in gray water.

Hole sloughed, cut air and water. Pulled up to 3120' to free pipe.

Clean out from 3120' to 3310' with 2 MM air and 1 1/2 BPM water. Returns heavy 1/4" and less coal in black water. Hole sticky and sloughie.

8-06-90 Short trip.

Clean out 3310'-3378' with 2 MM air and 1.5 BPM water. Returns heavy 1/2" and less coal in black water.

Circulate and work pipe at TD with 2 MM air and 1 1/2 BPM water. Returns heavy 1/2" and less coal in black water, decreasing to light coal in clear water.

Short trip to gauge well through pitot tube: 1/4 hr - 8 psi, 1.756 MMCF; 1/2 hr - 7 psi, 1.644 MMCF; 3/4 hr - 6 psi, 1.520 MMCF; 1 hr - 6 psi, 1.520 MMCF (all gauges dry).

TIH, no fill.

Circulate and work pipe at TD with 2 MM air and 1 1/2 BPM water. Returns light coal in clear becoming heavy coal in black water. Torqued up pipe, pull up to 3120' to free pipe.

Clean out from 3120'-3246' with 2 MM air and 1 1/2 BPM water. Hole sloughed, pull up to 3183'.

Clean out from 3183' -3378' with 2 MM air and 1 1/2 BPM water. Returns heavy 1/2" coal decreasing to light coal in clear water.

Circulate and work pipe at TD with 2 MM air and 1 1/2 BPM water. Returns light coal in clear water.

Make short trip to 7" casing shoe.

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Completion Report

Northeast Blanco Unit No. 496 - Basin Fruitland Coal

LOCATION: 1330' FSL, 1000' FWL Section 18, T31N, R6W, San Juan County, New Mexico

8-07-90 Land production tubing.

Short trip, TIH, had 10' bridge at 3238'. No fill on bottom.

Circulate and work pipe at TD with 2 MM air and 1 1/2 BPM water. Returns light 1/8" coal in clear water.

POOH.

Change pipe rams, rig up to run 5-1/2" casing.

Pick up V shoe, 10 jts 5-1/2" casing, Baker 7" X 5-1/2" high flow hanger. RIH on 3-1/2" drill pipe. Tag at 3372', circulate liner to TD at 3378. Pick up 1', hang off liner and pack off.

Ran 10 jts 5-1/2" 23# L-80 USS casing 381.27', set at 3377', with perfs at 3093.77 - 3182.16, 3203.98 - 3269.76. Top of hanger at 2996.73, 74' overlap.

4 - full non perf 8 holes per foot

2 - 1/2 non perf

3 - full perf

1-1/2 perf jt

POOH, lay down drill pipe and drill collars. Install 2-7/8" rams, rig up to run 2-7/8" tubing.

Pick up 4-1/2" expendable mill with check, 1 jt 2-7/8", F nipple (2.25" ID). TIH, tag at 3094'.

Drill out plugs. Lay 5 jts tubing, land tubing on donut. Ran 102 jts 2-7/8" (3149.80') 6.5# J-55, FBNAU, land at 3163.80' with top of F nipple at 3130.15'.

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LOCATION: 1330' FSL, 1000' FWL Section 18, T31N, R6W,

San Juan County, New Mexico

8-08-90 Nipple down BOP and nipple up wellhead.

Pump off mill and expendable check, blow well around with air.

Gauge well: 1/4 hr - 7 psi, 1.644 MMCF; 1/2 hr - 6 psi, 1.520 MMCF; 3/4 hr - 6 psi, 1.520 MMCF (all gauges mist); 1 hr - 5 psi, 1.374 MMCF (wet).

Release rig 12 noon, 8-07-90.